
Q2. Who is your current local telephone service provider? (Unaided)

In all five MSA's, Qwest was the dominant leader in terms of market share. Qwest's greatest dominance was in Tacoma, where 69% of respondents have Qwest's local service. On the low end, 40% of respondents in Portland said Qwest is their current local telephone service provider. Qwest's share in Salt Lake City, Seattle, and Minneapolis / St. Paul fell in-between these two MSA's (58%, 56% and 53%, respectively).

Integra came in second overall (tied with Verizon at 8%), with market share ranging from 2% in Tacoma to 14% in Portland. In Salt Lake, Integra's market share is 11%, followed by Minneapolis / St. Paul (7%) and Seattle (6%).

It is important to note that in each market there was at least one competitor (other than Qwest) that ranked higher than or equal to Integra in terms of market share (in some cases, within the margin-of-error of +/-5%). In Portland and Seattle, that competitor is Verizon, while in Salt Lake, it is AT&T, and in Minneapolis / St. Paul, it is McLeod. In Tacoma, there were four firms that were *at least* tied with Integra. In each case (other than Portland), there were a host of other firms, as well, that were within reach of Integra, based on the margin-of-error.

While Qwest was the dominant provider across all analyzed subsegments, it is interesting to note that larger companies, based on total number of phone lines, number of employees, and annual sales, tended for the most part, to be less likely than smaller companies to use Qwest. Integra, on the other hand, tended to be used more by larger companies (11+ phone lines, 10-49 employees, \$2.5 – 5 million / Over \$10 million in sales).

	<u>Portland</u>	<u>Seattle</u>	<u>Tacoma</u>	<u>Salt Lake</u>	<u>Minneapolis/ St. Paul</u>
Total Participants	389	390	387	389	389
Qwest	40%	56%	69%	58%	53%
Integra	14	6	2	11	7
Verizon	23	14	1	1	1
AT&T	5	5	10	11	4
Eschelon	5	4	6	2	6
McLeod	1	1	2	8	10
Allegiance	2	5	0	0	1
Pop	-	-	-	-	6
Advanced Telecom Group (ATG)	1	-	5	-	-
Comcast	1	1	1	1	2
Worldcom / MCI	2	0	1	1	1
XO Communications	0	2	-	1	0

(Continued)

Current Provider

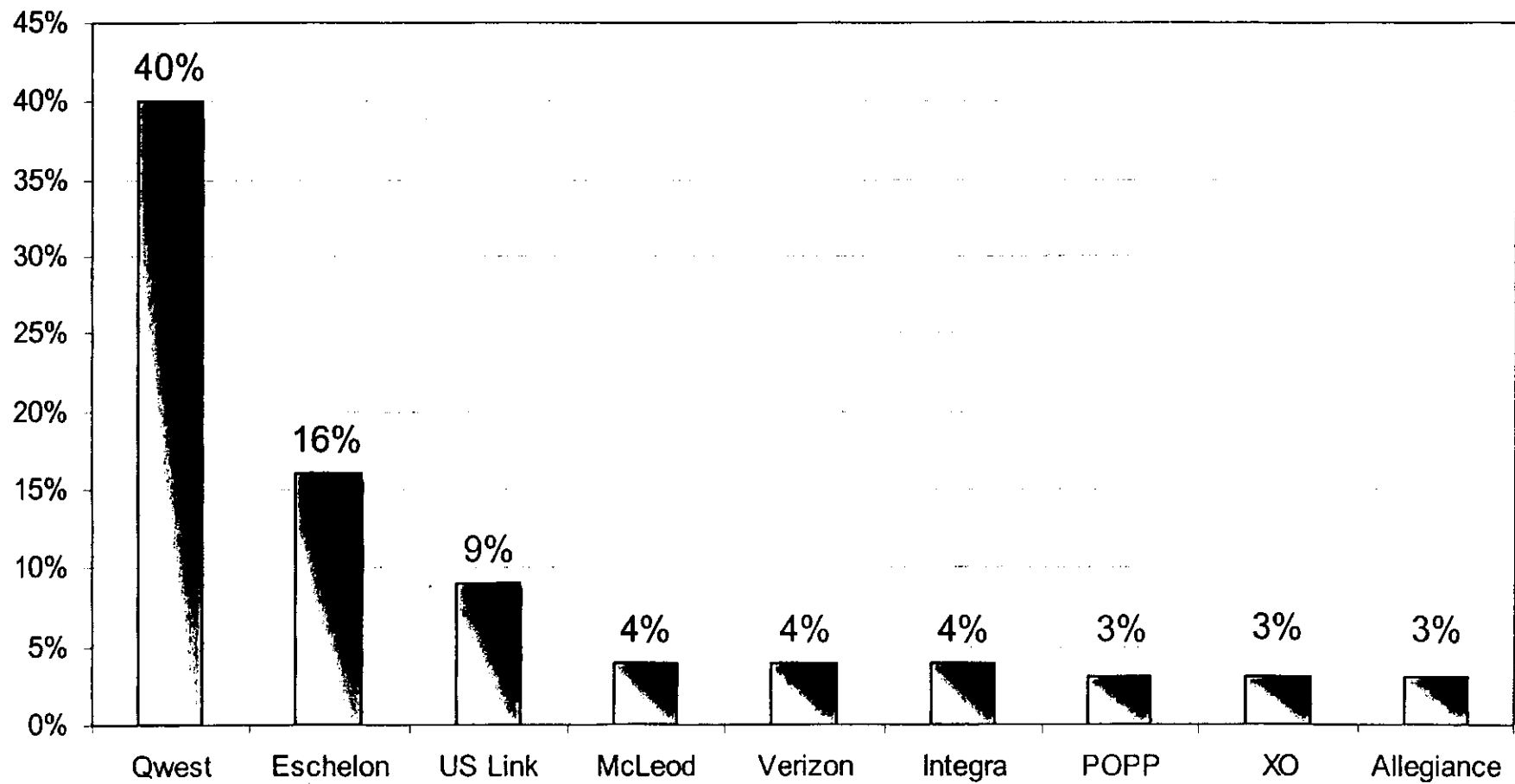


EXHIBIT C

	Total Business Locations	# that are under 24 ALEs	% that are under 24 ALEs	# that are 24 to 47 ALEs	% that are 24 to 47 ALEs	# that are 48 to 95 ALEs	% that are 48 to 95 ALEs	# that are 96 ALEs or greater	% that are 96 ALEs or greater
MN-N Market	2278	2175	95.4%	74	3.2%	67	2.9%	5	0.3%
MN-S Market	5870	5324	90.6%	453	7.7%	85	1.4%	8	0.1%
ND Market	1183	1162	98.2%	16	1.3%	4	0.3%	1	0.1%
OR OMA	9357	8716	93.1%	500	5.3%	122	1.3%	15	0.2%
WA OMA	3162	2777	87.8%	302	9.5%	76	2.4%	6	0.2%
UT OMA	3930	3750	95.4%	142	3.6%	34	0.8%	4	0.1%
TOTAL	25780	23904	92.7%	1487	5.8%	388	1.5%	39	0.2%

Exhibit D to the Affidavit of John Nee

Region/MSA	Total companies	Companies with fewer than 100 access lines	Percentage of businesses falling within Integra's target market
Portland-Vancouver, OR-WA	96,287	90,183	94
Seattle-Bellevue-Everett, WA	134,875	127,265	94
Tacoma, WA	29,609	27,848	94
Salt Lake City-Ogden, UT	58,655	54,138	92
Minneapolis-St. Paul, MN	133,612	125,474	94
Grand Forks, ND, MN	5,054	4,836	96
Fargo-Moorhead, ND, MN	9,325	8,796	94

Appendix D

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	WC Docket
Unbundled Access to)	No. 04-313
Network Elements)	
)	
Review of the)	
Section 251 Unbundling Obligations)	CC Docket
For Incumbent Local Exchange)	No. 01-338
Carriers)	

Affidavit of Bill Littler

1. My name is Bill Littler. I am the Director of Carrier Services for Integra Telecom. I report to and work under the supervision of Dave Bennett, Vice President of Network Planning.
2. I have been employed by Integra Telecom for four years, ten months. Prior to my employment with Integra, I was with ELI for three years. Prior to my employment with ELI, I was with MCI for five years. I have a total of thirteen years of experience in the Telecom industry.
3. I was responsible for collecting information about the availability of loops and transport from Integra's competitors and from CAP providers. Some of the information I obtained by contacting companies by telephone; some of the information I obtained pursuant to signed Non-Disclosure Agreements, meaning that I can only refer to it generally in this affidavit. I attempt to be as specific as possible while fully complying with the Non-Disclosure Agreements. Of the 23 carriers about whom I compiled information, Integra has signed Non-disclosure Agreements with at least 18. Therefore, I am severely limited in the level of detail I can disclose about other carrier's networks.
4. I prepared the chart attached as Exhibit A to my affidavit based on a combination of telephone contacts and general industry information. The chart addresses every company identified in either the independent or internal surveys, in the analysis of Integra's largest customers, or in the service technician surveys. XO includes Allegiance because XO bought Allegiance's assets out of bankruptcy.

5. No company other than Qwest and Verizon have loops available to the entire Integra customer base. The loops from companies claiming to have loops available for wholesale lease share two characteristics: first, the loops are all connected to specific large customers or large buildings, not to the general customer base that Integra serves. Second, none of the loops connect with the ILEC central offices where Integra needs collocation. All of the loops connect to the provider's network, which means the loops is very different from an ILEC loop and not a competitive product.
6. Clicks Network is owned by the City of Tacoma, Washington. The loops it has connect only a small fraction of the total buildings in Tacoma.
7. It is also important to understand the financial characteristics of some of these companies. Table 1 shows the companies that can claim to have provisioned loops or transport, but also ended up filing for bankruptcy or experiencing other types of financial difficulty. The companies that did not experience financial difficulty are owned by ILECs, municipalities, or electric power companies.

Table 1

Name of company with self-provisioned loops or transport.	File for bankruptcy, do financial re-organization, or propped up by a parent company?
SHAL	No, ILEC owned
XO	Yes
Onvoy	No, ILEC owned
Clicks Network	No, owned by municipality
GST/Time Warner	Yes, GST pre-TW
ELI	Yes, parent propped
MCI	Yes, bankruptcy
Onvoy	No, ILEC owned
Winstar	Yes
Eventis	No, owned by electric power company
McLeod	Yes, bankruptcy
Astound	No, owned by electric power company
Eschelon	Yes, financial reorganization

Dated:



Bill Littler
Director of Carrier Services

Exhibit A - Littler Affidavit

Survey			Provider	Type	Integra Operating Market Area	Loops		Transport		ILEC CO	Remarks
Ind.	Top 25	Int.				Wholesale Offering	Self Provisioning	Wholesale Offering	Self Provisioning	Presence	
1	1	1	XO (inc. Allegiance)	CLEC/CAP	All	Yes	Yes	OCN only	OCN Only	Some	Loops available only to selected buildings connected to XO's network
1	1		MCI	CLEC/CAP	All	Yes	Yes	OCN only	OCN Only	Some	Loops available only to selected buildings connected to MCI's network
1	1	1	ELI	CLEC/CAP	Oregon, Washington, Utah	Yes	Yes	Yes	Yes	Some	Loops available only to selected buildings connected to ELI's network
			ELI	CLEC/CAP	Oregon, Washington, Utah						Transport available, dark fiber available to limited CO's
1			McLeod	CLEC	All	Yes	Yes	Yes	Yes		Loops available only to selected buildings connected to McLeod's network. Dark fiber is available to some CO's.
1			McLeod	CLEC	All						
1			AT&T	CLEC	All						I have emailed Mary Tribby. She has not responded at this time.
1			ATG	CLEC	Oregon, Washington	No	No	No	No	N/A	N/A
1			Comcast	Cable							Dan Williams contacted - He didn't know if they even have a wholesale division. He will check and call back...no response as of 09/21/04
			Comcast	Cable							OCN Transport only to limited number of CO's
1			Sprint	ILEC		No	No	OCN only	OCN Only	Some	
1			Telwest	CLEC	Washington	No	No	No	No	N/A	N/A
1			POPP Telecom	CLEC	Minnesota	No	No	No	No	N/A	N/A
1			US Link	CLEC	Minnesota	No	No	No	No	N/A	N/A
1			Eschelon	CLEC	All	No	No	No	No	N/A	N/A
	1		Click	CLEC	Tacoma, Wa	Yes	Yes	No	No	No	Loops available only to selected buildings connected to Click's network
	1		Shal	CAP	Part of NW Minnesota	Yes	Yes	Long Haul	Long Haul	Some	Loops available only to selected buildings connected to Shal's network
			Shal	CAP	Part of NW Minnesota						Some Longhaul Transport, no dark fiber available
	1		Onvoy	CAP	Minnesota	No	No	Yes	Yes	Some	OCN Transport available, no dark fiber available product, connected to limited number of CO's
			Onvoy	CAP	Minnesota						
	1		Eventis	CAP	Eastern Minnesota						Dan Close - Multiple calls, No response
	1	1	Time Warner	CLEC/CAP	Oregon, SW Washington	Yes	Yes	Yes	Yes	Some	Loops available only to selected buildings connected to GST's network
			Time Warner	CLEC/CAP	Oregon, SW Washington						No dark fiber product, OCN connection to a limited number of CO's
	1		Winstar	CLEC	Minnesota	No	No	No	No	N/A	N/A
	1	1	LightPoint	Data Prov	Portland, Ore	No	No	No	No	N/A	N/A
			Aslound	CLEC	Minnesota	No	No	No	No	N/A	Residential offerings only
		1	FiberNet	CAP	Minnesota						John Dowd - Multiple calls, No response
			Qwest	ILEC	All	Yes	Yes	Yes	Yes	All	Will not share info on Competitors as we have all signed NDA's
			Verizon	ILEC	Portions of Oregon, Washington	Yes	Yes	Yes	Yes	All	Will not share info on Competitors as we have all signed NDA's

Appendix E

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	WC Docket
Unbundled Access to)	No. 04-313
Network Elements)	
)	
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Section 251 Unbundling Obligations)	CC Docket
For Incumbent Local Exchange)	No. 01-338
Carriers)	

Affidavit of Dave Bennett

Background

1. My name is Dave Bennett. I am employed by Integra Telecom as the Vice President of Network Planning.
2. I have worked in the telecommunications industry for over 34 years. I joined Integra as Vice President of Operations for the Oregon Market Area in December 1999. In November 2000, I transitioned into my current position. Prior to joining Integra, I was the Regional Manager, Operations with CenturyTel, responsible for overseeing 400,000 access lines in ten states. Prior to that, I was the Regional Manager of Engineering with CenturyTel. Before joining CenturyTel, I was the Corporate Manager of Engineering with Pacific Telecom, Inc.
3. As the Vice President of Network Planning, I am responsible for the design, construction, purchasing, and engineering of the network used by the company to provide voice, data, and all other services. I am also responsible for purchasing all loops and transport, whether unbundled network elements, special access, or from an alternate provider.
4. I must be careful when discussing the network designs of other carriers. When a carrier shares network design information, it requires me to sign a Non-disclosure Agreement. Those agreements preclude me from sharing any information with people outside of Integra. I cannot put information in an affidavit that is subject to a Non-disclosure Agreement. Therefore, I am limited in what I can say on certain subjects. Bill Littler, who works for me as the Director of Carrier Services, is likewise limited.

Customer base

5. Integra's target market is the small to medium sized business customer. The average Integra customer has eight access lines, generating less than \$400 per month in revenue. The customer typically has no in-house telecom expertise and is not considered a sophisticated purchaser of telecom services. Integra customers are served with an almost even mix of DS-0 and DS-1 lines: 44% DS-1, 56% DS-0.
6. Appendix B is a listing and ranking of MSAs depicting the service areas in which Integra currently does business. These areas generally include the following major cities and their surrounding areas: Portland, Eugene, McMinnville, and Salem in Oregon; Seattle, Tacoma, Everett and Vancouver in Washington; Salt Lake City, Ogden, Park City, and Provo in Utah; Minneapolis, St. Paul, Brainerd, Nisswa, Baxter, Little Falls, Moorhead, Duluth and St. Cloud in Minnesota; Fargo and Grand Forks in North Dakota.

Loop Impairment Analysis: Survey of Businesses

7. As part of identifying potential alternate providers of loops and transport, Integra retained the services of an independent vendor to conduct a survey of businesses in our target market. A copy of the survey protocol and questions asked is found in Appendix C, the Affidavit of John Nee. The target group was businesses with fewer than 96 access lines at one location, located in the geographic areas in which Integra does business, the areas generally described in Appendix B. Each business was asked to identify its current provider of local exchange services. The identity of each provider was recorded and tabulated. See Appendix C.
8. Bill Littler gathered information about each local exchange carrier identified in the surveys. See Appendix D, Affidavit of Bill Littler. None of the carriers identified as active in Integra's target market is a wireless or satellite provider. See Appendix C.

Loop Impairment: Analysis of the top 100: the 25 largest customers in each geographic area.

9. I was responsible for the survey that analyzed the demarcation points for the company's 25 largest customers in each of four geographic markets. The twenty-five largest customers in Minnesota/North Dakota, Oregon, Washington, and Utah were examined. The purpose was to determine how many of Integra's largest customers have more than one loop coming to their premises. 99.8% of Integra's customers have fewer than 96 access lines at any one location. See Exhibit C to Appendix C, Affidavit of John Nee. A direct observation of every customer demarcation point would be the ideal way to make this determination. Because that is virtually impossible, we focused on 100 large customers, the twenty-five largest in each market.
10. Integra's largest twenty-five retail customers in each market are less than four-tenths of 1% of Integra's total customer base--0.00389. The largest customer has 408 access lines at one location. The average number of access lines for this customer group is 95. The average number of access lines for all Integra business customers is 8. This means that the vast majority of Integra customers use dramatically fewer access lines than the 100

largest customers. If a majority of customers with 95 access lines do not have alternate provider loops, it follows that customers with only 8 access lines also do not have alternate loops.

11. In the state of Washington, only two of the 25 largest customers had a loop from a non-ILEC. The companies with demarks at these two customers are ELI and MCI at one and Click Networks at the other. The customer with the Click Networks loop has 408 access lines at one location.
12. The remaining 23 largest customers in the state of Washington, with an average of 97 access lines per location, have only the ILEC loop running to their premises.
13. In the state of Oregon, none of the 25 largest customers, with an average of 110 loops at one location, had loops provisioned by an alternate provider. Pre-Telecom Act of 1996, the Oregon Graduate Institute provisioned loops for connecting its buildings with its PBX. The founders of Integra acquired the Oregon Graduate Institute's telecom service so the loops installed by the Institute to serve its own needs pre-1996 show up today as Integra loops. These pre-Telecom Act loops provisioned by a customer to serve its own needs are not the type of loops under scrutiny in an impairment analysis. Integra only identifies this issue in the interest of full disclosure.
14. In the state of Utah, only 3 of the 25 largest customers had loops from an alternate provider. All three were ELI, a company that was propped up by a parent company. None of the other 22 customers, with an average of 67 access lines per location, had alternate provider loops.
15. In the state of Minnesota/North Dakota, only 6 of the 25 largest customers had loops from an alternate provider. The remaining 19 customers, with an average of 76 access lines per location, have only the ILEC loop running to their premises.
16. Only 11 customers had more than the ILEC loop to their premises. The providers of these loops were identified as ELI, Click Networks, MCI, Winstar, GST/Time-Warner, Eventis, SHAL, Fibernet, Integra and Onvoy. If 89% of Integra's 100 largest customers, averaging 95 access lines per location, do not have multiple loops, it is fair to conclude that the remaining customer base, averaging 8 access lines per location, also do not have multiple loops.

Survey of demarks by service technicians

17. I was also responsible for collecting and analyzing the data from the service technicians during their one week of observing demarks at customer installs and service work. A total of 188 demarks were visited, with only 6 non-ILEC loops observed. This means that 97% of our randomly chosen customers had only the ILEC loop to their premises. Three of those loops were provisioned by XO in the state of Utah; two by ELI, one each in Washington and Oregon; 1 by GST/Time Warner in Oregon.

Loop Impairment Analysis: There are no competitive loops because alternate provider loops are entirely different products than ILEC loops.

18. Integra is in existence to make money. The decisions I make about what I purchase or what I lease are made with a focus on profit. If I can buy loops or transport at better prices than ILEC loops and transport, I do so. However, the loops and transport available from alternative suppliers are not truly competitive with ILEC loops and transport. They are really different products, initially designed to accomplish different objectives, resulting in pricing schemes that make one far more expensive than the other and prevent them from being truly competitive.
19. Exhibit A to my affidavit is a diagram depicting the typical Qwest/Verizon loop and the typical alternate provider loop. I made this diagram based on my experience with the system designs of Qwest, Verizon, and alternate suppliers in general.
20. This diagram shows why alternate loops are not competitive with ILEC loops. ILEC loops were designed and installed over a period in history when the ILECs were monopoly providers, operating under rate of return regulation. Under rate of return regulation, ILECs recovered all dollars spent on capital improvements like the installation of loops, plus a percentage recovery above the capital dollars. This meant that ILECs had incentive to spend capital dollars, to make infrastructure improvements. These loops connect ALL customers within a geographic area to the ILEC switch.
21. When Integra made its sunk investment in hundreds of millions of capital equipment and infrastructure beginning eight years ago, it did so based on the law and interconnection agreements which established the points of entry or connection to the ILEC's network. Integra installed equipment to serve customers within specific geographic areas, based usually on a dark fiber ring configuration that uses ILEC transport to connect the ILEC central offices in which Integra has collocated equipment to serve customers with Integra's hub, and uses ILEC loops to connect with retail customers. Integra's equipment is located in leased collocation space within Qwest and Verizon wire centers. In other words, Integra's network was built to use the ILEC's feeder/distribution network to connect our switches to our hub and to retail customers.
22. A Verizon or Qwest loop connects the wire center directly to the customer premise. The price is "Flat Rated", depending upon the zone.
23. Alternative provider loops were designed and installed during a completely different period of time. These loops were all installed within the recent past. For the companies that installed these loops, there was no guaranteed recovery, no monopoly status. To the contrary, efficiency was a valued commodity. Unlike the ILEC network that was built to serve ALL customers in a large geographic area, the alternative provider loop was designed to serve select, targeted, large customers. The alternative provider loop connects that large customer to the alternative provider's hub, not to the ILEC's network.
24. Another issue is the quantity of loops that are available from alternate providers. Another anonymous ATP has 101 buildings connected to it's network in the **entire** greater Seattle area (Seattle, Bellevue, Everett, and Tacoma). This is the largest foot-print of any ATP

Integra is aware of. According to information from Qwest's ICON Database, in the 13 collocations served by Integra in Qwest's operating area, there are 1,131,077 business loops available. John Nee's Exhibit D to Appendix C provides information from Dunn & Bradstreet that shows 94% of business loops are in Integra's segment of the market (small to medium sized businesses). This equates to 1,063,212 loops available to Integra as potential customers through Qwest. The 101 buildings with loops from the ATP with the largest footprint in the Seattle area represent .0095% (95/10,000's of 1%) of all potential Integra customers in the greater Seattle area, customers for which the ILEC has a loop running to each one. A company with only 95/10,000's of 1 % of the loops in a geographical area is not competitive with an ILEC that has 100%.

25. Integra's business plan and network configuration is based on interconnecting with the ILEC's network in order to serve as many customers as possible in a large geographic area. This is significantly different from an alternative provider network that is intended to only serve specific, large customers.
26. Because the alternative provider's network configuration is different, the cost is different as well. Alternative provider costs are distance sensitive, meaning they increase with distance. As Exhibit A shows, the alternative provider loop is necessarily significantly longer than the ILEC loop. With distance sensitive pricing, this means the alternative provider loop will always be significantly more expensive than the ILEC loop.
27. Integra has located its equipment within ILEC wire centers to serve a broad base of customers. If alternative provider loops do not terminate within those wire centers, they are not competitive with ILEC loops. Either duplicate equipment must be installed by Integra within the alternate provider's location or additional cross-connects or tie cable and transport are required to connect Integra's equipment located in the ILEC wire centers to the point in the alternate provider's network where access to the loop can be obtained. This translates into additional cost for equipment, space, and power, and additional facility length, which affects transmission characteristics and cost.
28. I cannot justify paying significantly more money for a loop from an alternative provider. There is no additional value or benefit to Integra from spending the additional money. Therefore, it makes no sense to say that loops from alternative providers are a competitive alternative to ILEC loops. They are not.

Loop Impairment Analysis: Self-provisioning loops

29. It is my responsibility to analyze the costs and benefits of provisioning infrastructure, comparing that analysis with the purchase of unbundled network elements. The average customer base served by Integra does not justify the investment necessary to provision loops.
30. Essentially, to self-provision loops, a CLEC would have to completely replicate the ILEC network. Building loops is about much more than just the loop: the loop is just one part of the design. The loop must then be connected to the network, to the nearest central office. The CLEC would literally have to build the same tree and branch design (feeder and distribution), following the same streets to the same premises as the ILEC.

Of course, the ILEC built its system with a 100% market share under a rate of return regulatory scheme where it was guaranteed recovery of every dollar spent plus a double-digit profit. CLECs have no such market share and no such guarantee of cost recovery. With an average market share of 10%, and an average customer generating a revenue stream of less than \$400 per month, Integra cannot possibly duplicate the ILEC network.

Loop Impairment Analysis: Special Access as an alternative to ILEC loops

31. Special Access is a pricing methodology, not a product. The actual facility used to provide the underlying service is the same for both ILEC special access and ILEC unbundled network elements. Special Access is not an economically viable alternative to unbundled loops at TELRIC.
32. If Integra were forced to move all EEL and loop costs to special access prices, the economic impact would destroy the company. Today, Integra pays ILECs approximately \$.5 million each month for DS-1 loops and DS-1 EELs. At special access prices, this amount jumps to \$1.1 million each month, a 220 % increase. This increase turns a profit making company into an insolvent company.
33. Special access pricing will never be an economically viable or adequate substitute for ILEC unbundled network elements because Integra's business plan is based on TELRIC pricing. The company relied on the FCC's determination that TELRIC pricing would be used for unbundled network elements. The design of our network and the specifics of our business plan rely on TELRIC and its continuation.
34. The only time I would purchase loops at special access rates is if EELs or other unbundled network elements are unavailable for some reason. Those reasons may include the crossing of a LATA boundary, the crossing of a state boundary, or the crossing of a rate center boundary. I only make these purchases because I have to in order to serve a specific customer. Special access is not an adequate substitute for unbundled network elements at TELRIC pricing.
35. During the period 1996, the beginning of competition, until January 2002, Verizon's computer systems were unable to bill for unbundled network elements. When Integra purchased unbundled network elements from Verizon, Verizon sent a bill for special access, then discounted the bill by 80% for all UNE products to approximate UNE rates. See bills marked as Exhibit C to this Affidavit. This means, for example, that a \$100 special access loop was actually billed at \$20 to approximate UNE rates. The percentage increase from \$20 to \$100 is 500. Verizon's own real-life bills demonstrate that special access rates are a 500% increase over UNE rates.
36. To say or imply that companies like Integra were purchasing from special access is misleading at best. Other companies undoubtedly have their own stories. Integra was purchasing unbundled network elements and it took Verizon six years to configure its billing systems so it could bill for UNEs. Integra did not purchase special access; it

purchased unbundled network elements from a company that took six years to fix its computer systems.

Transport Impairment Analysis: a three-step methodology

37. The Transport impairment analysis was conducted under my direction and control. We carried out our analysis as a three-step process. I will describe each of the steps.
38. The first step was to contact each of the Competitive Access Providers (CAPs) operating within the same market area as Integra. We identified the CAPs by using the independent and internal surveys and our own knowledge of the local markets.
39. We then surveyed each of the companies to determine if they own transport/dark fiber facilities; if so, which ILEC collocations their facilities connect; and if they are willing to lease those facilities to competitors. If they are willing to lease the facilities, we asked about the terms, conditions, and prices.
40. The carrier contact was made by Bill Littler, the Director of Carrier Services, who reports to me. The results of what Mr. Littler learned are found in his affidavit, Appendix D.
41. The most important thing we learned from the CAPs is that none of them has transport/dark fiber facilities that can be considered competitive products with the ILEC transport/dark fiber. None of them can be considered competitive because none of them was designed to connect all of the ILEC central offices that are important to Integra's business plan. The transport installed by these CAPs was installed to connect a large customer to the CAPs hub facilities, not to connect ALL of the ILEC central offices to Integra's hub location. Integra needs connections to ILEC central offices, not to CAP hubs. CAPs deliberately by-passed the majority of the very central offices to which we need to interconnect.
42. Integra's business plan is based on a network configuration that interconnects with the ILEC network at carefully chosen, negotiated points of access. Integra installs its own switch in a Market Area, uses ILEC dark fiber to create a ring that connects the ILEC central offices with Integra's hub, installs equipment in the ILEC central offices, and uses the ILEC loops to connect with retail customers. All of Integra's investments in infrastructure have been made with this design in mind. To compete with ILEC transport, CAP transport must mirror this design. It must connect ILEC central offices where Integra is collocated with Integra's hub in a ring configuration.
43. The ILEC network design and the CAP network design are two entirely different models, designed for entirely different purposes. The CAP network design was never intended to connect with ILEC central offices so ILEC loops could be used to connect with retail customers. CAPS took an entirely different approach to network design.
44. CAPS made a deliberate decision to by-pass most ILEC central offices and not use ILEC loops to connect with customers. Instead, CAPS built networks directly to very large selected customers or locations where it could reasonably be anticipated that large